



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE DROPS  
TO 2.8 PERCENT IN AUGUST**

**2,500 New Jobs Added in August as Hawaii Posts Lowest  
Unemployment Rate in the Nation**

**HONOLULU** - The Hawaii State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for August was 2.8 percent, a decrease from 3.0 percent in July. Hawaii's 2.8 percent unemployment was the lowest in the nation, followed by South Dakota, Utah and Virginia which all posted an unemployment rate of 3.2 percent. The U.S. seasonally adjusted unemployment rate also declined over-the-month, from 4.8 percent in July to 4.7 percent in August. Over the last 12 months, Hawaii's seasonally adjusted unemployment rate has averaged 2.8 percent. In August, Hawaii's seasonally adjusted labor force totaled 650,400 and was comprised of 632,200 employed and 18,200 unemployed.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Aug</u> <u>2006</u>	<u>Jul 2006</u>	<u>Aug</u> <u>2005</u>
Labor Force	650,400	651,950	637,400
Employment	632,200	632,200	619,900
Unemployment	18,200	19,750	17,500

\*\* totals may not add up due to rounding

	AUG 2006	JUL 2006	AUG 2005
<b>STATE</b>	<b>2.8</b>	<b>3.0</b>	<b>2.7</b>
HONOLULU*	2.7	3.2	2.7
HAWAII COUNTY*	3.2	3.9	3.5
KAUAI*	3.0	3.3	2.6
MAUI COUNTY*	2.7	3.1	2.7
Maui Island*	2.6	3.0	2.5
Molokai*	6.6	7.0	9.7
Lanai*	1.7	1.4	0.7
<b>U. S.</b>	<b>4.7</b>	<b>4.8</b>	<b>4.9</b>

\*Non-Seasonally Adjusted

### **Industry Payroll Employment**

In a separate measure of employment, total seasonally adjusted nonagricultural jobs increased in August over July by 2,500, or 0.4 percent. Since August 2005, total new jobs have increased by 14,300, or 2.4 percent, with noteworthy job gains in Trade, Transportation, & Utilities (+3,700, +3.1 percent), Construction (+2,400, +7.1 percent), and Leisure & Hospitality (+2,200, +2.1 percent).

#### ❖ **Government**

In August over July, Government employment expanded by 500 new jobs, largely due to the shifting to the universal year-round public school schedule. New hirings in support staff personnel for the Hawaii Department of Education contributed to most of the increases.

#### ❖ **Leisure & Hospitality**

The Leisure and Hospitality industrial group saw a notable increase of 400 new jobs in August, the majority of which were in Accommodations focused on Hawaii's tourism industry.

❖ **Education & Health Care Services**

This industry showed a moderate growth of 300 new jobs, many of which were in private schools as they began the fall session. Despite the ongoing nurses' strike on Kauai, Health Care Services experienced some job creation in ambulatory and out-patient services.

❖ **Manufacturing**

Manufacturing posted an increase of 200 jobs due to more work in the nonmetallic mineral and fabricated metal productions.

❖ **Transportation, Transportation & Utilities**

Over-the-month, this industry remained relatively stable.

❖ **Other Services**

This miscellaneous group also recorded an increase of 300 jobs, showing gains in various services in business and social organizations.

❖ **Construction**

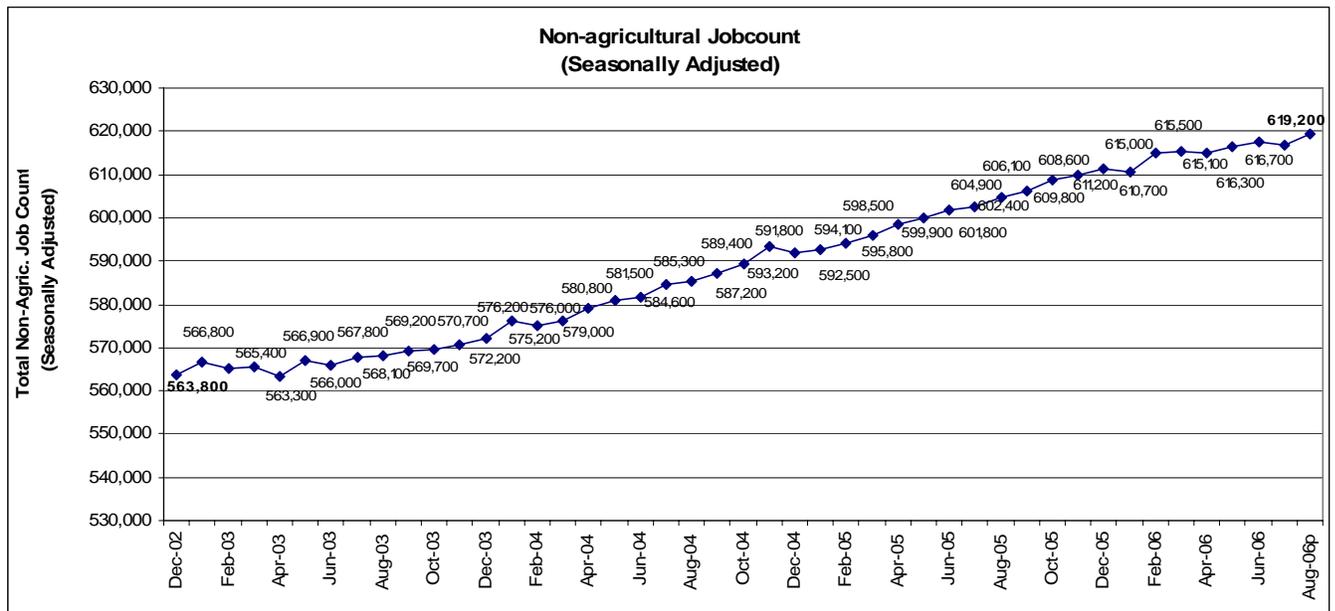
Hawaii's construction industry saw a slight decrease of 100 jobs for the month of August.

**Seasonally Adjusted Non-Ag. Jobs**

	<b>Aug-06</b>	<b>Jul-06</b>	<b>Aug-05</b>
NAT. RESOURCES, MINING & CONSTR.	36,100	36,200	33,700
MANUFACTURING	15,400	15,200	15,300
TRADE, TRANSPORTATION & UTILITIES	122,300	122,300	118,600
EDUCATIONAL AND HEALTH SERVICES	70,900	70,600	70,000
LEISURE & HOSPITALITY	108,700	108,300	106,500
OTHER SERVICES	25,900	25,600	25,100
GOVERNMENT	120,400	119,900	120,900
<b>TOTAL</b>	<b>619,200</b>	<b>616,700</b>	<b>604,900</b>

“Hawaii’s working families continue to reap the benefits of a vibrant economy, long-term job growth and low unemployment,” said Nelson B. Befitel, Director of Labor and Industrial Relations.

Since December of 2002, the month the Lingle-Aiona Administration took office, to August of 2006, Hawaii's economy has creates 55,400 new jobs.



**Unemployment Trust Fund**

To keep the public informed on the status of the state's Unemployment Compensation Fund (Fund), from which unemployment benefits are paid to qualified claimants, the following is the status of the Fund and its projected balance at the end of the year.

Fund Balance as of end of August 2006:	\$517,457,223
Taxes received year-to-date through end of August:	\$110,324,756
Interest received year-to-date through end of August:	\$11,115,060
Benefits paid year-to-date through end of August:	\$61,225,112
Current Tax Schedule (for calendar year 2006):	Schedule “C”

Fund projections (as of end of August) for calendar year 2006 and projected calendar year 2007 tax schedule:

Fund Balance, end of 2006:	\$530,600,000 (projected)
Taxes for calendar year 2006:	\$142,200,000 (projected)
Interest for calendar year 2006:	\$23,500,000 (projected)
Benefits for calendar year 2006:	\$92,400,000 (projected)
Projected Tax Schedule for calendar year 2007:	Schedule "B" (projected)

For comparison purposes, in calendar year 2005 the Fund collected \$130.2 million in taxes and paid out \$82.3 million in benefits.

**#####**

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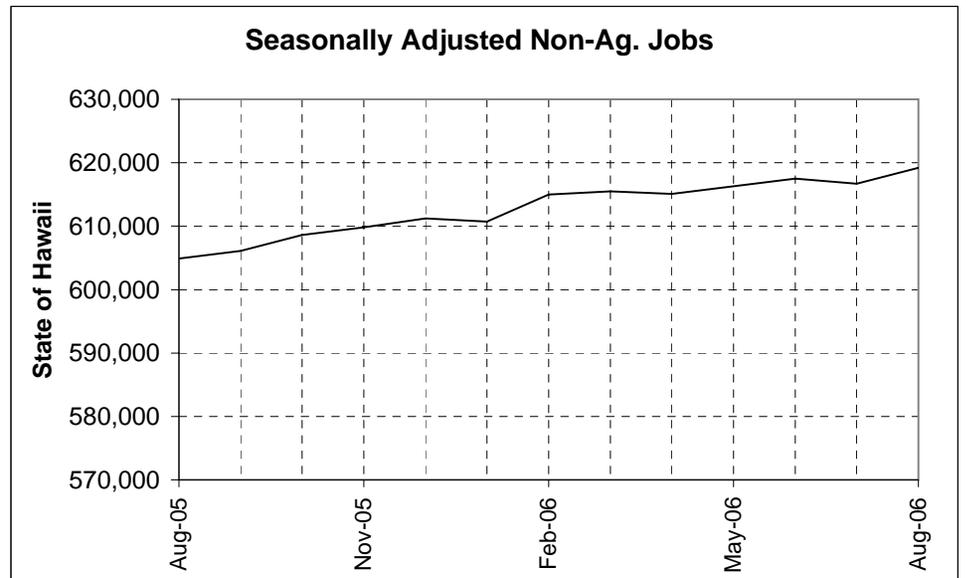
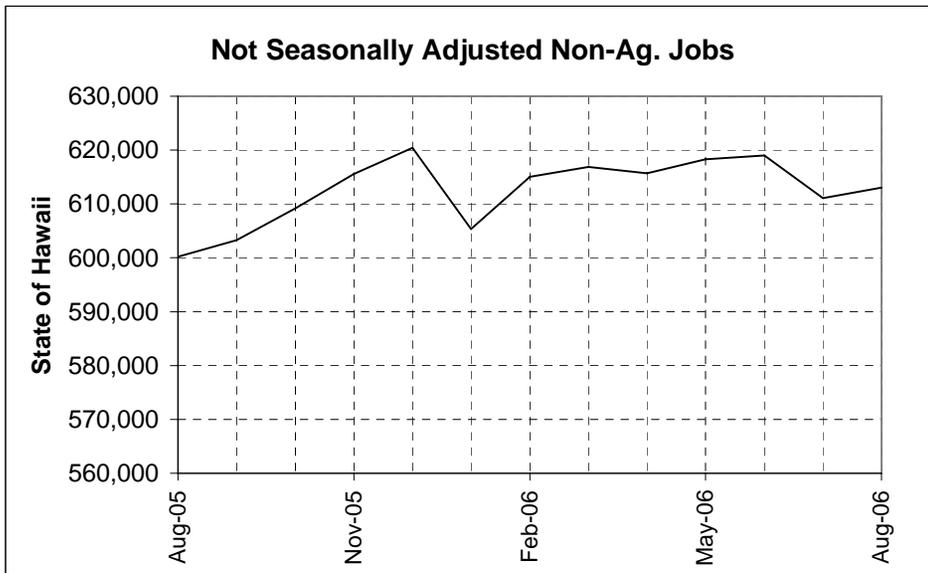
### Not Seasonally Adjusted Non-Ag. Jobs

	Aug-06	Jul-06	Aug-05*
NAT. RESOURCES, MINING & CONSTR.	36,250	36,350	34,300
MANUFACTURING	15,250	15,250	15,350
TRADE, TRANSPORTATION & UTILITIES	122,100	121,800	118,450
INFORMATION	11,100	11,100	10,900
FINANCIAL ACTIVITIES	30,200	30,150	29,500
PROFESSIONAL & BUSINESS SERVICES	77,850	77,250	74,800
EDUCATIONAL & HEALTH SERVICES	69,650	70,200	68,950
LEISURE & HOSPITALITY	109,100	108,850	107,100
OTHER SERVICES	25,900	25,700	25,250
GOVERNMENT	115,600	114,400	115,650
<b>TOTAL</b>	<b>613,050</b>	<b>611,100</b>	<b>600,200</b>

### Seasonally Adjusted Non-Ag. Jobs

	Aug-06	Jul-06	Aug-05*
NAT. RESOURCES, MINING & CONSTR.	36,100	36,200	33,700
MANUFACTURING	15,400	15,200	15,300
TRADE, TRANSPORTATION & UTILITIES	122,300	122,300	118,600
EDUCATIONAL AND HEALTH SERVICES	70,900	70,600	70,000
LEISURE & HOSPITALITY	108,700	108,300	106,500
OTHER SERVICES	25,900	25,600	25,100
GOVERNMENT	120,400	119,900	120,900
<b>TOTAL</b>	<b>619,200</b>	<b>616,700</b>	<b>604,900</b>

\* BENCHMARKED DATA



**LABOR FORCE AND JOBCOUNT ESTIMATES**

**August 2006 Report, Statewide**

	DEPARTMENT OF LABOR -- LABOR FORCE ESTIMATES							
	STATEWIDE							
	<b>(NOT SEASONALLY ADJUSTED)</b>							
	Aug-06	Jul-06	Aug-05	CHANGE FROM ONE MONTH AGO		CHANGE FROM ONE YEAR AGO		
CIVILIAN LABOR FORCE	651.5	659.4	637.4	-7.9	-1.2%	14.1	2.2%	
TOTAL EMPLOYED	633.2	637.8	619.7	-4.6	-0.7%	13.5	2.2%	
UNEMPLOYED	18.3	21.7	17.7	-3.4	-15.7%	0.6	3.4%	
percent of Labor Force	2.8%	3.3%	2.8%					
Total Nonfarm	613.0	611.1	600.2	1.9	0.3%	12.8	2.1%	
Total Private	497.4	496.7	484.5	0.7	0.1%	12.9	2.7%	
Goods Producing	51.5	51.6	49.6	-0.1	-0.3%	1.9	3.8%	
Service-Providing	561.6	559.5	550.6	2.1	0.4%	11.0	2.0%	
Private Service-Providing	445.9	445.1	434.9	0.8	0.2%	11.0	2.5%	
Nat. Res & Construct	36.2	36.4	34.3	-0.1	-0.3%	1.9	5.7%	
Construction of Buildings	11.6	11.7	10.7	-0.1	-0.9%	0.9	4.5%	
Special Trade Contractors	19.3	19.3	18.4	0.0	-0.5%	0.9	8.5%	
Manufacturing	15.2	15.3	15.3	0.0	-0.2%	-0.1	-0.6%	
Durable Goods	4.5	4.5	4.5	0.0	-1.1%	0.0	-0.4%	
Non-Durable Goods	10.8	10.7	10.8	0.0	0.2%	-0.1	-0.6%	
Trade, Transportation,	122.1	121.8	118.5	0.3	0.3%	3.6	3.1%	
Wholesale Trade	18.0	18.1	17.7	-0.1	-0.3%	0.3	1.5%	
Retail Trade	70.7	70.5	69.2	0.2	0.3%	1.5	2.1%	
Food and Beverage Sto	13.0	12.9	13.0	0.1	0.8%	0.0	-0.1%	
Grocery Stores	10.8	10.7	10.8	0.1	1.0%	0.0	-0.2%	
Clothing and Clothing	11.6	11.6	11.3	0.0	-0.2%	0.3	2.8%	
General Merchandise S	12.3	12.2	11.8	0.1	0.9%	0.5	4.4%	
Department Stores	9.3	9.3	8.9	0.0	0.3%	0.4	5.0%	
Trans,Warehouse, Util	33.4	33.2	31.5	0.2	0.5%	1.9	5.9%	
Utilities	2.9	2.9	2.9	0.0	-0.1%	0.0	1.7%	
Transport & Warehouse	30.4	30.3	28.6	0.2	0.5%	1.8	6.4%	
Air Transportation	10.3	10.3	10.1	0.0	0.3%	0.3	2.5%	
Information	11.1	11.1	10.9	0.0	-0.3%	0.2	1.8%	
Telecommunications	4.2	4.2	3.9	0.0	0.9%	0.3	7.2%	
Financial Activities	30.2	30.2	29.5	0.1	0.2%	0.7	2.5%	
Finance and Insurance	17.0	17.0	16.6	0.0	0.1%	0.4	2.4%	
Real Estate and Renta	13.2	13.2	12.9	0.0	0.2%	0.3	2.6%	
Professional and Busin	77.8	77.3	74.8	0.6	0.7%	3.0	4.1%	
Professional, Scienti	24.1	23.9	23.2	0.1	0.6%	0.8	3.6%	
Management of Compani	7.7	7.6	7.3	0.1	0.8%	0.3	4.3%	
Administrative and Su	46.1	45.7	44.2	0.4	0.8%	1.9	4.3%	
Employment Services	17.9	17.5	16.6	0.4	2.0%	1.3	8.0%	
Educational and Health	69.7	70.2	68.9	-0.5	-0.7%	0.7	1.1%	
Educational Services	13.2	13.5	12.9	-0.3	-1.9%	0.3	2.1%	
Elementary and Second	7.1	7.3	7.1	-0.2	-2.8%	0.0	0.5%	
Health Care and Socia	56.5	56.7	56.0	-0.3	-0.5%	0.5	0.8%	
Ambulatory Health Car	22.7	22.6	22.5	0.1	0.5%	0.2	0.9%	
Hospitals	13.7	13.8	14.2	-0.1	-0.4%	-0.5	-3.6%	
Nursing and Residenti	6.7	6.7	6.7	0.0	0.0%	0.0	0.3%	
Social Assistance	13.4	13.7	12.6	-0.3	-2.3%	0.8	6.1%	
Leisure and Hospitalit	109.1	108.9	107.1	0.2	0.2%	2.0	1.9%	
Arts, Entertainment,	11.9	11.9	11.8	0.0	-0.1%	0.1	0.8%	
Accommodation and Foo	97.2	97.0	95.3	0.3	0.3%	1.9	2.0%	
Accommodation	39.4	39.3	39.0	0.2	0.4%	0.4	1.1%	
Food Services and Dri	57.8	57.7	56.3	0.1	0.1%	1.5	2.6%	
Full-Service Restaura	29.8	29.7	29.0	0.0	0.1%	0.8	2.7%	
Other Services	25.9	25.7	25.2	0.2	0.8%	0.7	2.7%	
Government	115.6	114.4	115.7	1.2	1.1%	0.0	0.0%	
Federal Government	31.6	31.7	31.3	-0.1	-0.4%	0.3	1.0%	
Ship Building & Repai	4.2	4.2	4.2	0.0	-0.3%	0.1	0.6%	
Department of Defense	16.5	16.5	16.4	0.0	-0.5%	0.0	0.5%	
State Government	66.1	64.5	66.5	1.5	2.4%	-0.4	-0.6%	
State Govt. Education	42.2	40.6	42.6	1.6	4.0%	-0.4	-0.9%	
Local Government	18.0	18.1	17.9	-0.2	-0.9%	0.0	0.3%	

**UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED**

	AUG 2006	JUL 2006	AUG 2005
<b>STATE</b>	<b>2.8</b>	<b>3.3</b>	<b>2.8</b>
HONOLULU	2.7	3.2	2.7
HAWAII COUNTY	3.2	3.9	3.5
KAUAI	3.0	3.3	2.6
MAUI COUNTY	2.7	3.1	2.7
Maui Island	2.6	3.0	2.5
Molokai	6.6	7.0	9.7
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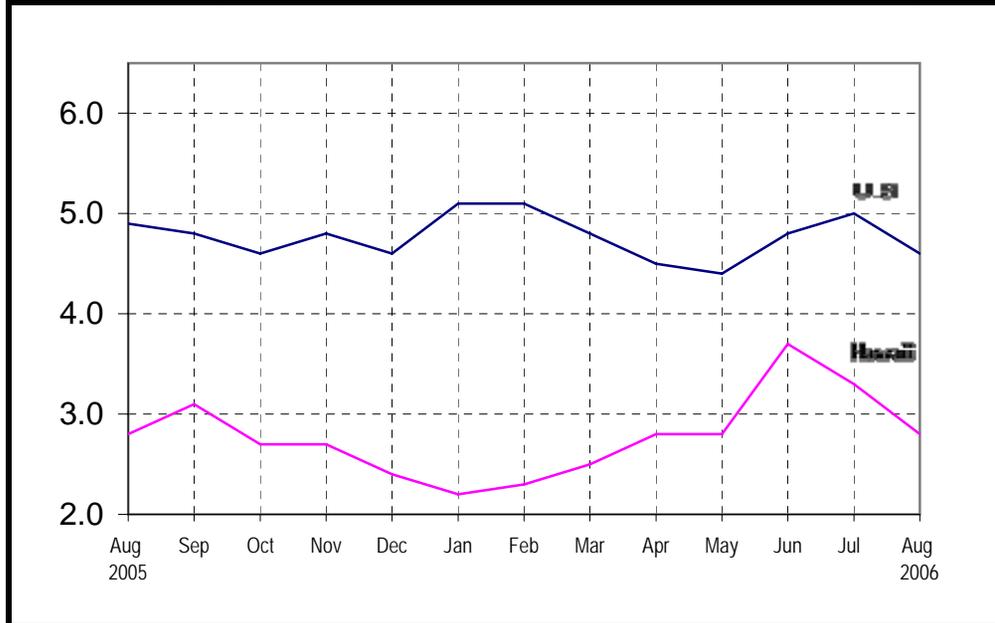
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	Aug 2005	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug 2006
U. S.	4.9	4.8	4.6	4.8	4.6	5.1	5.1	4.8	4.5	4.4	4.8	5.0	4.6
Hawaii	2.8	3.1	2.7	2.7	2.4	2.2	2.3	2.5	2.8	2.8	3.7	3.3	2.8



	Aug 2005	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug 2006
U. S.	4.9	5.1	4.9	5.0	4.9	4.7	4.8	4.7	4.7	4.6	4.6	4.8	4.7
Hawaii	2.7	2.8	2.8	2.7	2.7	2.4	2.5	2.6	2.8	3.0	3.1	3.0	2.8

